

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

**Before the Commissioner of the Office of Financial and Insurance Services**

**In the matter of:**

**Randall Malecki  
16334 Johnson Creek Dr.  
Northville, MI 48168**

**Enforcement Case No. 07-5533**

**Respondent**

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**Issued and entered  
on 19 March 2008  
by Frances K. Wallace,  
Chief Deputy Commissioner**

**CONSENT ORDER**

**I.  
BACKGROUND**

Friendly Mortgage, LLC is a Michigan domiciled limited liability company, organized under the laws of the State of Michigan, that has made application for licensure as a mortgage broker under the Mortgage Brokers, Lenders, and Servicers Licensing Act ("MBLSLA"), Act No. 173 of 1987, as amended, MCL 445.1651 *et seq.* Randall Malecki (Respondent) is the sole member of Friendly Mortgage, LLC. Respondent is not presently licensed by the Office of Financial and Insurance Services ("OFIS") pursuant to the MBLSLA or any other consumer finance statute regulated by OFIS. In reviewing Friendly Mortgage, LLC's application, OFIS staff determined that Respondent was already conducting mortgage-related activities, which require licensure as a mortgage broker under the MBLSLA. OFIS and Respondent have now

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conferred for purposes of resolving this matter and determined to settle this matter pursuant to the terms set forth below.

## II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. At all times pertinent to the matter herein, Respondent was neither licensed or registered by OFIS to act as a mortgage broker nor meet any of the exemptions prescribed by the MBLSLA.
2. The Commissioner of OFIS has jurisdiction and authority to adopt and issue this Consent Order, pursuant to the Michigan Administrative Procedures Act ("MAPA"), MCL 24.201 *et seq.*, and the MBLSLA.
3. Loan Quest Lending, LLC is a licensed first mortgage broker and a registered second mortgage broker in the State of Michigan.
4. Respondent provided OFIS with a 2004, 2005, and 2006 Form 1099 indicating that Respondent received compensation from Loan Quest Lending, LLC in the amount of \$72,602.61, \$137,536.63, and \$137,100.00, respectively for originating mortgage loans.
5. Section 2(1) of the MBLSLA prohibits a person from acting as a mortgage broker, mortgage lender, or mortgage servicer without first obtaining a license or registration.
6. Section 2(3) of the MBLSLA prohibits a residential mortgage loan originator (also known as a loan officer) from receiving directly or indirectly any compensation, commission, fee, points or other remuneration from a mortgage broker, mortgage lender, or mortgage servicer other than his/her employer.
7. Respondent conducted first lien mortgage business without the requisite license or registration certificate required under Section 2(1) of the MBLSLA.

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8. Respondent, as a loan officer, received compensation from a mortgage broker, mortgage lender, or mortgage servicer other than his employer contrary to Section 2(3) of the MBLSLA.

### III. ORDER


It is ORDERED that:

1. Respondent shall cease and desist violating Sections 2(1) and 2(3) of the MBLSLA.
2. Respondent shall pay to OFIS an applicable civil fine of \$1,000.00. The fine shall be paid within 30 days of the date of entry of this Order.
3. Respondent, as the sole member of Friendly Mortgage, LLC, shall establish and maintain a program to monitor and ensure compliance with all state and federal consumer laws and regulations relating to all mortgage activity conducted by Friendly Mortgage, LLC.
4. Respondent, as the sole member of Friendly Mortgage, LLC, shall not utilize independent contractors for mortgage loan origination unless they are: 1) licensed or registered under the MBLSLA; 2) exempted from the MBLSLA under Section 25; or 3) licensed as a class I licensee under the Consumer Financial Services Act.
5. Respondent, as the sole member of Friendly Mortgage, LLC, shall educate himself and all employees of Friendly Mortgage, LLC with respect to all state and federal consumer laws and regulations, including the MBLSLA.
6. Respondent shall review and ensure that Friendly Mortgage, LLC complies with the OFIS Consumer Finance Bulletin No. 2003-09-CF, posted on the OFIS website, which clarifies OFIS's position on employees and branch offices in Michigan.

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7. Respondent, as the sole member of Friendly Mortgage, LLC, shall immediately designate a compliance officer for Friendly Mortgage, LLC, and provide written notification to OFIS of the compliance officer's name and business address, to ensure that Friendly Mortgage, LLC is in compliance with all applicable state and federal laws. Respondent's written notice designating a compliance officer shall accompany Respondent's payment of a civil fine as provided for in Paragraph 2 of this Order. Respondent, as the sole member of Friendly Mortgage, LLC, shall notify OFIS of any change in designation of the compliance officer within 30 days of such re-designation.

The Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as he shall deem just, necessary and appropriate in accordance with the provisions of the MBLSLA. Failure by Respondent to abide by the terms and provisions of this Order may result in the commencement of additional proceedings.

  
Frances K. Wallace  
Chief Deputy Commissioner